GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:1543
ANSWERED ON:02.12.2005
MISMANAGEMENT OF LORD KRISHNA BANK
Surendran Shri Chengara

Will the Minister of FINANCE be pleased to state:

(a) whether the Union Government is aware of the mismanagement of Lord Krishna Bank Ltd; - /.,-..,. .-p ^^rpp/^p -p r ..â€ž - t Â¦-;Â¦~ .,

(b) if if so, the action taken by the Reserve Bank of India to correct the miinagement;

(c) whether the Government has taken steps to call for a report: from the Reserve Bank of India on the functioning of the Bank; and

(d) if so, the details thereof?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANTMANICKAM)

(a) to (d) : The Lord Krishna Bank Ltd. is functioning under the regulatory and supervisory purview of RBI. The bank is subjected to Annual Financial Inspections (AFI) and is supervised through off-site monitoring system. The Reserve Bank of India has not come across any major concerns in the conduct of the affairs of Lord Krishna Bank Ltd. After the resignation of its Managing Director, the affairs of the bank are being looked after by a Committee of Directors of the bank, which also includes a nominee director of iRJBI.